
CHANGES TO THE SYSTEM OF PLANNING FEES IN ENGLAND

1 SUMMARY

- 1.1 This report outlines the Government's proposed changes to planning fees to be introduced on 1st April 2005.

2 INTRODUCTION

- 2.1 This review of planning fees is in response to the Government's stated commitment to look at more efficient ways to bring resources into planning, and follows research to better understand the costs of delivering a planning service.
- 2.2 The changes now proposed are intended to raise an extra £30m in fees in 2005/06, but further rises are expected to be proposed thereafter. In conjunction with these fee increases and resources being provided through Planning Delivery Grant, the Government is proposing a new performance and quality measure.

3 CHANGES PROPOSED

- 3.1 The key changes now proposed for 2005/06 are:
- An increase in all fees, but higher increases for larger applications.
 - Authorities meeting targets for handling major applications will be able to charge higher fees.
 - An option for Authorities to reduce fees for outline applications.
- 3.2 A copy of the proposed fee structure for 2005/06 is attached to this report as Appendix 1. Fees are proposed for increase across all categories with significant increases in the maximum threshold to tackle the problem of fees for major applications falling well short of cost recovery.
- 3.3 Fees for installing telecommunications masts will increase from £220 to £240, although the Government accepts that a more significant increase might be justified.

Performance Relationship

- 3.4 The Government takes the view that further fee increases should be directly related to continuing improvement in performance. In 2005/06, Authorities meeting the performance target for major applications over the period October 2003 - September 2004 would have the opportunity to charge 10% in fees in order to recover a greater proportion of the costs of processing.

E-Planning

- 3.5 The reduction in fees for electronic submission of applications is considered as a means to encourage users to submit higher numbers of applications by this method. This will be an optional measure.

Removal of the "Free Go"

- 3.6 The Government is seeking views on the removal of the "free go", which applies where applicants re-apply within 12 months. The options are to maintain the status quo, introduce a partial fee, or charge a full fee for the re-submission.

4 DISCUSSION**Are the fee proposals in general fair and reasonable?**

- 4.1 Yes, particularly the adjustments to the thresholds which reflect the greater costs of determining larger, more complex applications.

Are the fees for particular categories appropriate?

- 4.2 Yes, in the main. However, there is no doubt that applications for telecommunications masts can be very controversial and time consuming to process.
- 4.3 It is not possible to identify without some research the additional resources required to process telecommunications applications, but most proposals results in significant objections which must be analysed and there is an additional burden on the Case Officer in dealing with queries and discussing options/alternatives with the applicant. Therefore, whilst further work may be required to understand fully the processing costs, it is suggested that a slightly larger increase might be appropriate at this stage.

How far do you consider the performance measures will help to improve service quality?

- 4.4 It is important to be very cautious about any performance measure that, in effect, seeks to link speed with quality. There is no doubt that applicants welcome a speedy decision, but in the case of major applications, the bottleneck is very often not the time taken to reach determination, but the time taken to prepare a Section 106 Agreement.

- 4.5 This proposed measure seeks to reward a small number of Local Authorities; most likely, those Authorities processing very few major applications, by allowing them to charge an additional 10%. However, it is considered that all Authorities should be able to cover their costs for processing all types of application, but this additional 10% may very well be paid by developers/applicants who have already paid a sufficient fee to cover the costs of their application: There is no justification for any developer to pay more.

E-planning flexibility

- 4.6 The option to reduce fees for on-line applications may encourage greater use of electronic submission. However, at this stage, it is not clear that electronic submission will reduce costs during the transition from traditional arrangements. That is because it is necessary to operate two systems in tandem and real opportunities for streamlining service delivery will not be available until all application plans are on line.
- 4.7 Therefore, whilst this measure must be welcomed, it will only be when the numbers of electronic applications begin to increase that savings may result and a cost reduction justified.

‘Free go’ Applications

- 4.8 The ‘free go’ option is frequently used by applicants to resubmit revised proposals intended to deal with reasons for refusal. However, the cost of processing such applications is unlikely to be significantly less than processing the original and there is little, if any, justification for there to be no fee paid.
- 4.9 The removal of the ‘free go’ option will place greater onus on the applicant to ensure the proposed development is within the policy framework operated by the planning authority and puts emphasis on the value of pre-application discussion.

Conclusion

- 4.10 Overall, the proposed fee increases are to be welcomed, although there must be some doubt about the arbitrary proposal for an additional 10% for major applications in some Authorities.

5 RISK IMPLICATIONS

5.1 Resource Risk

Planning fees do not, at present, cover the cost of service delivery.

6 RESOURCE IMPLICATIONS

- 6.1 The proposed changes will help to reduce the gap between the cost of delivery of the development control service and the fees charged to applicants.

7 RECOMMENDATION

- 7.1 It is proposed that the Committee **RESOLVES** that, subject to comments from Members, the issues raised in this report form the basis of the Council's response to the Office of the Deputy Prime Minister.

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Background Papers:-

Changes to the System of Planning Fees in England, ODPM – September 2004

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APPENDIX 1

Proposed Revised Fees and Fees Structure from 2005				
Categories	Current Fee	Current Maximum	Proposed Fee	Proposed Threshold & Maximum
BUILDINGS, DWELLINGS AND OPERATIONS				
1. New dwellings OUTLINE per 0.1 hectare Per 0.1 hectare over 2.5 has (2005)	£220 -	£5,500	£240 £80	£6,000/ £13,800
2. New dwellings OTHERS per dwelling Per dwelling over 50 (2005)	£220 -	£11,000	£240 £80	£13,800 £28,500
3. Buildings (other than dwellings, agricultural buildings, plant or glasshouses etc.) OUTLINE per 0.1 hectare II) Per 0.1 hectare over 2.5 has (2005)	£220 -	£5,500	£240 £80	£6,000 £28,500
4. Buildings (other than dwellings, agricultural buildings, plant or glasshouses etc.) OTHER No floor area created Floor area less than 40 sq m Floor area between 40 and 75 sq m Floor area in excess of 75 sq m	£110 £110 £220 £220 per 75 sq m		I and II combined £120 III and IV combined £240 £80	 £13,800 £28,500
AGRICULTURAL AND HORTICULTURAL				
5. Agricultural Buildings on agricultural land (other than glasshouses) OUTLINE Per building Per building over 50 (2005)	£220 -	£11,000	£240 £80	£13,800 £28,500

Proposed Revised Fees and Fees Structure from 2005				
Categories	Current Fee	Current Maximum	Proposed Fee	Proposed Threshold & Maximum
AGRICULTURAL AND HORTICULTURAL (continued)				
6. Agricultural Buildings on agricultural land (other than glasshouses) OTHER				
Floor area less than 465 sq m	£40		£45	
Floor area between 465 sq m and 540 sq m	£220		£240	
Floor area in excess of 540 sq m			£240	
Floor area over 4215 sq m (2005)	£220 per 75 sq m	£11,000	£80	£13,800
				£28,500
7. Glasshouses on agricultural land				
Floor area less than 465 sq m				
Floor area in excess of 465sq m	£40		£45	
	£1,235		£1,345	
OPERATIONS				
8. Erection alteration or replacement of plant and machinery				
per 0.1 hectare	£220	£11,000	£240	£13,800
Per 0.1 hectare over 5 has (2005)			£80	£28,500
9. Enlargement, improvement or alteration of dwellings for domestic purposes				
one dwelling	£110		£120	
Two or more dwellings	£220		£240	
10. Operations within residential curtilage for domestic purposes (including building gates, fences etc.)	£110		£120	
11. Car parks, roads and access to serve a single undertaking where associated with existing use	£110		£120	
12. Operations connected with exploratory drilling for oil or gas	£220	£16,500	£240	£18,000
per 0.1 hectare				
Per 0.1 hectare over 7.5 has (2005)			£80	£28,500

Proposed Revised Fees and Fees Structure from 2005				
Categories	Current Fee	Current Maximum	Proposed Fee	Proposed Threshold & Maximum
13. Operations not within above categories – includes mineral operations per 0.1 hectare Per 0.1 hectare over 15 has (2005)	£110	£16,500	£120 £80	£18,000 £28,500
Operations not within above categories – other per 0.1 hectare	£110	£1,100	£120	£1,350
14. Change of use of a building to one or more dwellings – from existing building to one or more dwellings, and from other building to one or more dwellings per extra dwelling per extra dwelling over 50 (2005)	£220	£11,000	£240 £80	£13,800 £28,500
15. Use for disposal of refuse or waste minerals and open mineral storage per 0.1 hectare Per 0.1 hectare over 7.5 has (2005)	£220	£16,500	£240 £80	£18,000 £28,500
16. Material change of use in land or buildings other than above	£220		£240	
ADVERTISEMENTS				
17. Advertisements I) on business premises or other land within the business curtilage relating to nature of business, goods sold, services provided, or name of persons undertaking business Sign relating to business in the locality but not visible from that site III) advertisements for listed building consents (2005)	£60 £60		I, II and III combined £65	
18. All other advertisements	£220		£240	

Proposed Revised Fees and Fees Structure from 2005				
Categories	Current Fee	Current Maximum	Proposed Fee	Proposed Threshold & Maximum
OTHER				
19. Certificate of existing use or development	As for planning application		As for planning application	
of proposed use or development	50% of planning application		50% of planning application	
20. Prior approval application (including agricultural buildings, forestry buildings and private ways and demolition of dwelling houses)	£40		£45	
Installation of a radio mast, radio equipment, housing or public callbox	£220		£240 (but see paras 22-24)	
21. Variation or removal of a condition	£110		£120	